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HOUSTONIANS FOR A BETTER TOMORROW

NEW VISION | BOLD LEADERSHIP | BETTER SOLUTIONS



September 26, 2013

Public Utilities Commission of Texas
1701 N Congress Ave.
P.O. Box 13326
Austin, TX 78711-3326

RE: PUCT Project No. 40000

2013 OCT 11 AM 9:11
JAMES DONATTO, CLERK

Dear Commissioners,

I am writing you today to express my concern with the stability of electricity in Texas.

I understand the importance of having reliable power. The Electric Reliability Council of Texas (ERCOT) recently predicted a decline in operating reserves will threaten the long term reliability of the Texas power supply.

Texas currently operates an "energy only" market. This "energy only" market functioned well as long as both demand for electricity and natural gas prices increased. While the booming Texas economy has kept demand up, natural gas prices have come down from a high off almost \$14.00 MMBtu to historic lows below \$4 today in just the last 6 years.

The Public Utility Council (PUCT) is currently considering reforms to the power market in order to avoid this impending energy shortage. The commission had a comprehensive study done that came to the conclusion that some form of comprehensive reform to the market was needed. The PUCT needs to make sure that reforms to the wholesale power market protect and enhance the long-term reliability of the electric grid.

Houston professionals need reliable power in order to ensure we do our jobs to the best of our abilities. I urge the PUCT to adopt new and innovative options for our electric market in Texas to maintain reliability.

Sincerely,

James Donatto, Sr.
Executive Director

cc: Bob, Rich Perry